

7 March 2017
Brussels, Belgium

To the attention of Mr Kapil Mehan
Managing Director of Paradeep Phosphates Ltd

Re. Paradeep Phosphates Ltd's imports of phosphate rock from Western Sahara

Dear Mr. Mehan,

Western Sahara Resource Watch (WSRW) is privileged to write to you. We are seeking clarifications regarding Paradeep Phosphates Ltd's (PPL) imports of phosphate rock from occupied Western Sahara.

In the coming weeks, WSRW will publish its annual "P for Plunder" report, documenting the phosphate trade from Western Sahara during the previous calendar year. Paradeep will be featured in that report. Accordingly, we would be grateful for your answers to the questions included below, so that we may accurately present your views on the matter.

Our research indicates that PPL has received six shipments of phosphate rock from the Bou Craa mines during the course of 2016. Our calculations put the total volume of those shipments at around 344,000 tonnes.

PPL has thus become one of the main importers of the Western Sahara phosphate rock. This is deeply concerning, but perhaps not surprising, given that PPL is partly held by the OCP Group of Morocco, which administers and exploits the Bou Craa mines in Western Sahara.

The corporate relation between PPL and OCP notwithstanding, Paradeep has engaged in a trade that WSRW considers void of legal basis, politically off beam and highly unethical. It is our firm conviction that it cannot be in the company's interest to be associated with such business.

Morocco has no international legal mandate to administer Western Sahara, as recently emphasized by the 21 December Judgment of the Court of Justice of the European Union (CJEU). The EU's highest Court echoes the 4 July 2014 Decision of Spain's High Court, the *Audiencia Nacional*, which confirms that Spain, not Morocco, is the administering power over Western Sahara, and that the "territory cannot be considered Moroccan". The CJEU furthermore considered the people of Western Sahara as a third party to any type of arrangement between the EU and Morocco, and thus their declared consent ought to be obtained should such arrangements affect the territory of Western Sahara. In the absence of such consent, no EU Trade or Association Agreement with Morocco could be applied to Western Sahara. The principles laid down by the International Court of Justice in 1975 thus remain unchanged; Morocco has no sovereignty over Western Sahara and the Saharawi people must be free to exercise their right to self-determination.

The United Nations consider Western Sahara as a Non-Self-Administering Territory - an unfinished decolonization. Over 100 UN Resolutions have acknowledged the Saharawi people's right to self-determination, a right that includes the right to permanent sovereignty over their natural resources. The UN treaty bodies reviewing States' implementation of the two International Covenants – on Civil and Political Rights, and on Economic, Social and Cultural Rights – have emphasized the need to

obtain “prior, free and informed consent” of the Saharawi people in relating to resource exploitation in Western Sahara.

No State in the world, including India, recognizes Morocco’s claims to Western Sahara. Morocco’s military control over large parts of the territory have resulted in tremendous suffering and deprivation for the Saharawi people. Approximately 160,000 Saharawis are living in refugee camps in the most inhospitable parts of the Algerian desert, since 1975. While they are dependent on humanitarian aid, Morocco sells of the resources of their homeland as if it was entitled to do so. Protests against the trade by Saharawis remaining in areas under Moroccan control, are subjected to grave human rights violations, including torture, arbitrary detention and forced disappearances.

Purchasing phosphate rock from Western Sahara through a deal with a Moroccan state-owned company only serves to prolong the Western Sahara conflict. Not only does it lend an air of normalcy to what is a brutal occupation, but it even provides the aggressor with financial support, making it less inclined to fully engaged in UN-hosted peace talks.

WSRW urges PPL to immediately and unconditionally halt its purchases of phosphates from occupied Western Sahara. We are concerned to observe that a new vessel, the Norwegian vessel Star Lyra, is currently heading to Paradeep, with an estimated date of arrival of 18 March.

WSRW on 9 February 2015 sent you a letter with four questions regarding your company’s role in the trade. <http://www.wsrw.org/a240x3165>

We cannot see having received a response. Allow us to rephrase the main question of that letter, to which we would appreciate an answer:

What has your company done to ascertain that the imports of phosphate rock from Western Sahara are done with the express consent of the people of the territory?

We would also appreciate it if your company could confirm having received an estimated volume of 344,000 tonnes of phosphate rock from Western Sahara during the year 2016.

Should you require any further information to fully engage the matter, do not hesitate to contact us. We look forward to your reply.

Sincerely,

Sara Eyckmans
Coordinator
Western Sahara Resource Watch
coordinator@wsrw.org